PRIORITY

Funding Action Form
Interagency Agreement

cc: Alice Yeh
Otto Salomon
4/15 4/12

Signature Block:		Initials	Date
RPM	A. Yeh		3/31/04
ERR-DO	R. Basso		3/31/04
PSB	C. McEnery		4/7/04
PSB	A. Brown/S. Alvi		4/8
ERRD	W. McCabe ←		4/8
ERRD	G. Pavlou		
GRA	O. Salamon ← 4/8		4/8
FMB	E. Seabrook		4/13
DRA	K. Callahan		
RA	J. Kenny	for RA	4.14

Site Name	DIAMOND ALKALI COMPANY
EPA-ID	NJD980528996
Operable Unit	02
Event/Activity Type	RI/FS
Amount	$156,000
Contract Vehicle	IAG DW96941975-01-2
Account No.	2004 TR2B 02D 302DD2E 0296CO02 C002
DCN	042AHE0171

PRIORITY

04-13-2004 4155

GCMB Log #97

*Please return this form when completed to C. McEnery on the 18th floor.

228377

#16

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION II

DATE: APR - 8 2004

SUBJECT: Amendment to an Interagency Agreement with the United States Army Corps of Engineers in Support of the Remedial Investigation/Feasibility Study Activities at the Lower Passaic River Study (Diamond Alkali Superfund Site), Newark, New Jersey

FROM: Ray Basso, Strategic Integration Manager
Emergency and Remedial Response Division R. Basso

TO: George Pavlou, Director
Emergency and Remedial Response Division

PURPOSE

The purpose of this memorandum is to request approval of additional funding for an existing Interagency Agreement (IAG) in support of the Remedial Investigation/Feasibility Study (RI/FS) at the Lower Passaic River portion of the Diamond Alkali site, pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (CERCLA). The work will be performed through the existing IAG with the U.S. Army Corps of Engineers, Kansas City District (USACE-KC). USACE-KC has agreed to provide their preplaced Malcolm Pirnie, Inc. contractor (MPI) to perform this work.

TRAVEL BUDGET and EQUIPMENT

EPA invariably provides travel funds, shown on Part II-Approved Budget of the IAG (EPA Form 1610) under item (c) of the budget breakdown. These funds are budgeted for the other Agency staff to undertake travel in connection with the implementation of the statement of work (SOW). These funds will be utilized in accordance with the General Conditions, appended as Attachment B of the IAG and are not intended to the purpose of exceeding a travel ceiling or similar limitation.

No equipment is authorized or budgeted.

RATIONALE/CONDITIONS

Under this IAG amendment, USACE-KC will continue to provide EPA with technical and administrative services for performance of an RI/FS at the Diamond Alkali Superfund Site (Lower Passaic River expansion from the Passaic River Study Area), pursuant to CERCLA, as amended. This RI/FS work will be performed in coordination with the USACE, New York

District (USACE-NY) Lower Passaic River Ecosystem Restoration Study, with New Jersey Department of Transportation, Office of Maritime Resources (NJDOT-OMR) as local sponsor. A Project Management Plan (PMP) outlines the necessary tasks for an Ecosystem Restoration Study pursuant to the Water Resources Development Act (WRDA) and an RI/FS pursuant to CERCLA, as amended. Coordination between the EPA RI/FS and USACE-NY Ecosystem Restoration Study shall be performed pursuant to the Memorandum of Understanding between EPA Headquarters and USACE Headquarters dated July 2, 2002.

USACE-KC will provide specialized support services to EPA. It will also utilize extramural agreements to carry out the Scope of Work, using the same contractor, MPI, which is being used by USACE-NY on the WRDA portion of the Lower Passaic River study.

All conditions of the previous IAG remain the same.

BACKGROUND

In 1994, Tierra Solutions Inc. (TSI), on behalf of Occidental Chemical Corporation (a successor of the Diamond Alkali Company), entered into an Administrative Order on Consent (AOC) with EPA that required performance of an RI/FS on the six-mile stretch of the Lower Passaic River that is part of the Diamond Alkali Superfund Site, with reimbursement of EPA response and oversight costs. TSI has completed the majority of the RI data collection tasks pursuant to the AOC.

Rather than complete the ongoing OU2 RI/FS by evaluating remedial alternatives only for the six-mile stretch, EPA has decided to expand the investigation and evaluate remedial alternatives for the entire 17-mile tidal Passaic River. This would allow consideration of the full extent of sediment contamination, as well as an evaluation, and eventual control, of all ongoing sources.

In recognition of our overlapping and interdependent roles, EPA has formed a partnership with USACE-NY and NJDOT-OMR to perform this comprehensive study. EPA is conducting the study under the authority of CERCLA, and USACE-NY, with NJDOT-OMR as local sponsor, is conducting the study under WRDA.

The purpose of the joint study is to develop a comprehensive watershed-based plan for the remediation and restoration of the Lower Passaic River. This will include one or more proposals for remedial actions as defined under CERCLA, and the identification of ecosystem restoration opportunities in the study area to support broader estuary-wide restoration efforts. Remedial alternatives and ecosystem restoration measures will be analyzed together to ensure that the overall solution(s) to the complex problems posed by the contamination in the area are compatible and provide for acceptable exposure levels that are protective of human health and the environment, and also effectuate the best mix of: long-term effectiveness and permanence; reduction of toxicity, mobility, or volume through treatment; short-term effectiveness; implementability; cost-effectiveness; and stakeholder/public acceptance. Remediation may include: sediment removal, placement of caps, sediment decontamination in-situ or ex-situ, and engineering controls on combined sewer outfalls. Complementary restoration goals may include benthic habitat restoration, tidal wetland restoration, vegetative buffer creation, shoreline stabilization, and aquatic habitat improvement.

SUMMARY OF OBLIGATION

Activity	Funding Date	Funding
Sediment Model Technical Support	August 1993	$ 20,000
Community Relations	September 1993	$ 100,000
RI Oversight	September 1994	$ 60,000
Environmental Justice, Community Relations, Pilot Activities	April 1995	$ 100,000
Community Relations	April 1996	$70,000
RI/FS Oversight	September 1999	$ 200,000
RI/FS Oversight	June 2000	$ 200,000
RI/FS Technical Assistance	May 2001	$ 500,000
RI/FS Technical Assistance	September 2001	$ 500,000
RI/FS for 17-mile Lower Passaic River Study	September 2002	$ 1,000,000
Community Involvement Plan for 17-mile Lower Passaic River Study (from Urban Rivers Restoration Initiative)	August 2003	$ 50,000
This Action: RI/FS for 17-mile Lower Passaic River Study	March 2004	$ 156,000
	Total Funding	$ 2,956,000

REQUIRED ACTION

A. Requested Project

The planned activities are the continuation of an RI/FS for the Lower Passaic River 17-mile study area.

B. Cost Estimate

The total estimated cost for the RI/FS is approximately $20,000,000. EPA is cost sharing this project with potentially responsible parties, USACE-NY (through WRDA), and NJDOT-OMR (also through WRDA). The cost of this amendment is $156,000. This amendment increases the IAG from $1,050,000 to $1,206,000.

C. Schedule

It is anticipated that the comprehensive 17-mile Lower Passaic River Study will take five to seven years to perform. The Project and Budget Period remain the same: 9/30/02 to 12/31/07.

RECOMMENDATION

I recommend that you approve the $156,000 needed for the USACE to continue the RI/FS for the Lower Passaic River 17-mile study area, by signing below and the attached copies of the Interagency Agreement form.

Funds in the amount of $156,000 are available in the Region's Advice of Allowance for this work.

I am available to discuss this recommendation at your convenience.

Attachment

Approve William McCabe for GP

Disapprove _____

Date 4-8-04

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION II

APR - 8 2004

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CONCURRENCES

Name: A. Yeh Init: Date: Filename: C:\AY\Passaic-Funding\New\1975-diamfs.wpd

Name	A. Yeh	R. Basso						
Concurrence	CY	RB						
Date	4/8	4/8/04						

REGION II FORM 1320-1 (9/85)